

# THE WORKFORCE DEVELOPMENT TAX CREDIT ACT OF 2013

## H.R. 1324 OVERVIEW

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*March 20, 2013*

- ✧ **Overview**- Purpose of the bill is to provide a federal tax credit to businesses to develop manual labor/technical skills part time apprenticeship training programs. It would also provide a tax credit to businesses that hire and retain the apprentices. This bill is designed to train workers to have 21<sup>st</sup> century non-white collar skilled manufacturing jobs. It would also encourage job creation, partner with community and four year colleges, incentivize companies to “Make it In America”, revitalize our manufacturing sector, and in so doing make us more globally competitive.
- ✧ **Definition** – An apprenticeship program is an employer-sponsored flexible training program that cultivates highly skilled workers who meet the workforce demands of a competitive global economy.
- ✧ **Eligibility** – Large, medium and small companies
- ✧ **Stakeholders**
  - Community colleges,
  - Technical Schools
  - 4 year colleges
  - High schools
  - Labor Unions
- ✧ **Tax Incentives**
  - To offer a Federal tax credit to businesses to develop non-white collar part time apprenticeship training programs.
    - To provide businesses with a 50% tax credit on the first \$2,000 in wages in a taxable year for each apprentice. (Is this credit only to be made available for one year or multi-year as the SC credit?)
  - To offer an additional tax credit to businesses for each person hired at the end of the apprenticeship program
    - 40% of the first \$ 6,000 in wages
- ✧ **Goals**
  - Create a skilled workforce
  - Train workers/individuals to acquire manual labor and technical manufacturing skilled jobs.
  - Have companies identify skills needed for the 21<sup>st</sup> century marketplace. – cutting edge skills needed for 21<sup>st</sup> century employment
  - Job creation
  - Encourage companies to make things/manufacture in America again
- ✧ **Background**
  - This bill is slightly modeled after the Apprenticeship Carolina program in South Carolina. The Apprenticeship tax credit in South Carolina is \$1,000 per apprentice per year up to 4 years. According to the program director, Apprenticeship Carolina is the fastest growing skills program in the country and has been incredibly successful.